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IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEVADA

In re:) BK-S-09-14814 LBR
) (Jointly Administered)
THE RHODES COMPANIES, LLC, a/k/a) Chapter 11
Rhodes Homes, et al.,)
)
Reorganized Debtors.) UNITED STATES' STATEMENT OF ISSUE
) AND DESIGNATION OF RECORD ON APPEAL
)

The United States of America filed a notice of appeal with regard to the Order Disallowing And Expunging Claim No. 7. (Docket No. 1697). The United States hereby submits, pursuant to Federal Rule of Bankruptcy Procedure 8006, this statement of issue on appeal and the designation of the record on appeal.

STATEMENT OF ISSUE ON APPEAL

Whether the Bankruptcy Court erred in sustaining the Reorganized Debtors' Objection to Claim No. 7 of the Internal Revenue Service. Whether the Bankruptcy Court erred in adopting the Reorganized Debtors' Proposed Findings of Fact and Conclusions of Law, (Docket No. 1685), which concludes that Bravo was not the employer of the workers at issue and therefore was not responsible for the employment taxes.

DESIGNATION OF RECORD

The following items are to be included in the record on appeal:

Filing Date	Docket No.	Description
04/13/2010	Claim 7-2	Proof of Claim for Internal Revenue Taxes
03/31/2011	1377	Reorganized Debtors' Objection to Claim No. 7 filed by Internal Revenue Service Against Debtor Bravo, Inc.
09/07/2011	1532	Declaration of Dean Griffith with Certificate of Service
09/15/2011	1540	Response in Opposition to Reorganized Debtor's Objection to IRS Claim filed against Bravo, Inc.
09/15/2011	1541	Declaration of Virginia Cronan Lowe
09/16/2011	1551	Amended Declaration of Virginia Cronan Lowe
09/21/2011	1553	Reorganized Debtor's Reply to United States' Response in Opposition Transcript of Hearing
11/01/2011	1589	Transcript of Hearing held on September 27, 2011
01/26/2012	1640	Joint Pre-Trial Statement
02/13/2012	1658	United States Brief with Certificate of Service
02/13/2012	1659	Reorganized Debtors' Brief
02/13/2012	1660	Declaration of Justin H. Bell
02/13/2012	1661	Certificate of Service
02/16/2012	1663	Amended Witness List
02/27/2012	1668	Reorganized Debtors' Reply Brief
02/27/2012	1669	Declaration of Justin H. Bell
02/27/2012	1670	United States' Reply Brief
02/27/2012	1671	Certificate of Service
02/27/2012	1672	Declaration of Virginia Cronan Lowe
04/02/2012	1681	Transcript of Trial held on March 5, 2012
04/12/2012	1684	United States' Proposed Findings of Fact and Conclusions of Law
04/12/2012	1685	Reorganized Debtors' Proposed Findings of Fact and Conclusions of Law
05/03/2012	1697	Order Disallowing and Expunging IRS Claim No. 7
05/17/2012	1700	United States' Notice of Appeal

1 Dated this 31st day of May, 2012.

2 KATHRYN KENEALLY
3 Assistant Attorney General

4 /s/ Kaycee M. Sullivan
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9 Of Counsel:
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CERTIFICATE OF SERVICE

IT IS HEREBY CERTIFIED that service of the foregoing UNITED STATES' STATEMENT OF ISSUES ON APPEAL AND DESIGNATION OF RECORD ON APPEAL has been made this 31st day of May, 2012, by United States mail, in a postage prepaid envelope to:

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